
SAIL BSP gets Rowghat mining lease

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Bhilai Steel Plant the flagship entity of the Steel Authority of India Limited has been awarded mining lease for the Rowghat deposit F spread over 2028.79 hectares in a pocket between Kanker and Narayanpur districts of Chhattisgarh.

The Mineral Resources Department of Chhattisgarh government has granted the mining lease for a period of 20 years after getting the due Environmental Clearance and Forestry Clearance from the Ministry of Environment and Forests.

The BSP had proposed to set up a 14 million tonnes per annum mine in Rowghat. However, following the MoEF's directives, it would not set up beneficiation plant and tailing dam at Rowghat and would confine to mining, primary and secondary crushing in order to significantly reduce the damage to flora and fauna.

The company would transport the iron-ore to its beneficiation plant located at Dalli Rajhara about 90 kilometer from Rowghat, thereby increasing the capital cost as well as the operating cost of the project.

The development has come as a breather for the BSP which has been reeling under raw material crises. At present, the total iron ore reserve left with BSP's Dalli-Rajhara mines is around 50 million tonnes, which the company officials said would not last for more than five years.

The Rowghat mines have a reserve of about 511 million tonnes. The execution of the Rowghat Deposit-F mining lease deed will ensure an uninterrupted supply of iron ore to BSP for the next 20 years.

The new mines would help the company to meet raw material requirement for the expansion. The BSP is undertaking the expansion to take its capacity to 7.5 million tonnes from the current 4.6 million tonnes annually. The expansion is in line with the SAIL's target of achieving a capacity of 26 million tonnes by 2010.

(Sourced from Business Standards)

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